

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 ICA-20 AID-05 EB-08 NSC-05
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00
COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06
LAB-04 SIL-01 L-03 H-02 PA-02 MMO-01 A-01 AGRE-00
/112 W

-----004010 291411Z /43

R 291348Z AUG 78
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 8499

UNCLAS SECTION 01 OF 02 BRUSSELS 16441

E.O. 11652: N/A
TAGS: OECD, EFIN, ETRD, ELAB, BE
SUBJ: BELGIAN ECONOMIC INDICATORS: AUGUST 1978

THE BELGIAN ECONOMY CONTINUES TO MARK TIME. THE APPRECIATION OF THE EFFECTIVE EXCHANGE RATE HAS CHEAPENED THE PRICE OF TRADABLE GOODS, RESULTING IN A STEADY DROP IN THE WHOLESALE PRICE INDEX. THIS, IN TURN, HAS BROUGHT CPI INFLATION DOWN TO AROUND 4 - 5 PERCENT. UNEMPLOYMENT REMAINS HIGH AT 6.7 . BELGIAN AUTHORITIES ARE WELL AWARE OF THE SEDATIVE EFFECT OF CURRENT EXCHANGE RATE POLICY ON DOMESTIC ECONOMIC ACTIVITY, BUT PREFER TO CONTINUE EXORCISM OF THE INFLATION TO WHICH THE ECONOMY HAS SO EASILY FALLEN VICTIM IN THE PAST.

THE BELGIAN FRANC HAD SOME TROUBLE KEEPING UP WITH ITS LARGER SNAKE PARTNER DURING THE FIRST TWO WEEKS OF AUGUST, AND THE NATIONAL BANK WAS FORCED TO BECOME AN ACTIVE BUYER ON THE EXCHANGE MARKETS. FOLLOWING THE US STATEMENTS SUPPORTING THE DOLLAR AND SUBSEQUENT WEAKENING OF UPWARD PRESSURE ON THE DEUTSCHE MARK, HOWEVER THE BELGIAN FRANC BEGAN TO STRENGTHEN SLIGHTLY WITHIN THE SNAKE.

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ITEM	FIGURES	12-MO CHANGE	PERIOD
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INDICES

INDUSTRIAL PRODUCTION
(INCLUDING CONSTRUCTION) 117.8 0.8 4/78

113.1 -0.1 5/78

INDUSTRIAL PRODUCTION

(EXCLUDING CONSTRUCTION) 121.5 1.3 4/78

117.2 1.0 5/78

RETAIL SALES VALUE 328 6.5 3/78

315 1.9 4/78

322 5.2 5/78

CONSUMER PRICE INDEX 127.0 3.7 6/78

128.7 4.8 7/78

WHOLESALE PRICE INDEX 183.9 3.4 5/78

184.0 3.1 6/78

WHOLESALE PRICE INDEX-

FINISHED INDUSTRIAL GOODS 145.8 0.6 5/78

146.3 0.8 6/78

"SYNTHETIC CURVE" OF
BUSINESS EXPECTATIONS

OF FUTURE ACTIVITY 83.44 - 6/78

GROSS HOURLY WAGE IN

INDUSTRY (PER HOUR) 274 8.7 3/31/78

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FIGURES:

TOTAL UNEMPLOYED

(1000'S) 273.5 - 8/15/78

TOTAL LABOR FORCE

(PERCENT UNEMPLOYED) 6.7 - 8/15/78

MONTHLY STEEL PRODUCTION

(1000 MT) 1,102 4.0 5/78

834 -12.1 6/78

831 -5.7 7/78

DELIVERIES METAL

PRODUCTION (BILLION BF) 45,050 6.6 1/78

41,029 -9.7 3/78

46,735 4.4 4/78

MONEY SUPPLY (M1)

(BILLION BF) 752.0 9.0 3/78

745.8 5.7 4/78

MONEY SUPPLY (M2)

(BILLION BF) 727,1 1.1 3/78

726,8 0.7 4/78

MONTHLY OPERATING

BUDGET EXP.(BILLION BF) 79.6 4 7-
89.3 6/78

MONTHLY OPERATING

BUDGET REVENUES -"
(BILLION BF) 84.5 4 78
71.5 6/78

MONTHLY OPERATING DEFICIT

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TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00
COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06
LAB-04 SIL-01 L-03 H-02 PA-02 MMO-01 A-01 AGRE-00
/112 W

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R 291348Z AUG 78
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 8500

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SURPLUS (BILLION BF) 4.8 4/78
-17.8 6/78

MONTHLY EXPORTS VALUE

TO U.S. (BILLION BF) 4.2 0.5 4/78
4.4 -1.3 5/78

MONTHLY EXPORTS VOLUME

TO U.S. (MILLION MT) 0.11 -0.5 4/78
TO U.S. (MILLION MT) 0.11 -0.5 4/78
0.09 5/78

MONTHLY IMPORTS VALUE

FROM U.S. (BILLION BF) 5.8 -2.5 4/78
7.7 -6.2 5/78

MONTHLY IMPORTS VOLUME

FROM U.S. (MILLION MT) 0.31 4/78
0.40 5/78

MONTHLY EXPORTS VALUE

(BILLION BF) 115.7 1.3 4/78
110.9 0.9 5/78

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MONTHLY EXPORTS VOLUME

(MILLION MT) 6.7 -3.0 4/78
6.5 -5.5 5/78

MONTHLY IMPORTS VALUE

(BILLION BF) 122.0 -8.1 4/78
121.4 1.2 5/78

MONTHLY IMPORTS VOLUME

(MILLION MT) 12.0 -2.3 4/78
12.2 3.3 5/78

CURRENT ACCOUNT

(BILLION BF) -2.3 3/78
-2.1 4/78

FOREX RESERVES (CURRENCIES)

(BILLION BF) 89.9 8/21/78

CALL MONEY RATE (PERCENT) 4.06 4/78
3.85 5/78

3-MONTH TREASURY BILL

(PERCENT) 5.60 5/78
5.75 6/78
6.35 7/78

LONG-TERM GOVERNMENT BOND

YIELD (T) (6-MONTH) 6.25 6/13/78
6.50 7/11/78

OFFICIAL RATE OF \$ 32.88 5/78
32.69 6/78

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32.37 7/78

CHAMBERS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC DATA, ECONOMIC REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRUSSE16441
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780352-0730
Format: TEL
From: BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780810/aaaaaicc.tel
Line Count: 223
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 18b88457-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1539193
Secure: OPEN
Status: NATIVE
Subject: BELGIAN ECONOMIC INDICATORS: AUGUST 1978 THE BELGIAN ECONOMY CONTINUES TO MARK TIME. THE APPRECIATION OF THE EFFECTIVE EXCHANGE RATE HAS
TAGS: EFIN, ETRD, ELAB, BE, OECD
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/18b88457-c288-dd11-92da-001cc4696bcc
Review Markings:
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